

Senate Study Bill 1142 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON DANIELSON)

A BILL FOR

1 An Act permitting the limited gambling licensing of individuals
2 as representatives of certain nonprofit organizations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99B.1, subsection 13, Code 2011, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. c. If the applicant is a volunteer applying
4 to serve as a representative individual limited licensee on
5 behalf of an organization, the individual must state in the
6 application the name of the organization. A volunteer may only
7 apply as a representative individual limited licensee on behalf
8 of an organization if that organization holds an exemption from
9 federal income taxation under section 501(c)(3), 501(c)(4),
10 501(c)(5), 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), or
11 501(c)(19) of the Internal Revenue Code as defined in section
12 422.3. The requirements of paragraph "a" shall apply to
13 any representative individual applying on behalf of such an
14 organization and such a representative individual shall only be
15 eligible to hold two limited licenses to conduct raffles within
16 any given calendar year.

17 Sec. 2. Section 99B.7, subsection 1, paragraph d,
18 subparagraph (2), Code 2011, is amended to read as follows:

19 (2) (a) If a raffle licensee holds a statewide raffle
20 license, the licensee may hold not more than eight raffles per
21 calendar year at which real property or one or more merchandise
22 prizes having a combined value of more than ten thousand
23 dollars may be awarded or cash prizes of up to a total of two
24 hundred thousand dollars may be awarded. Each such raffle held
25 under a statewide license shall be held in a separate county.

26 (b) If a representative individual limited licensee holds
27 a limited license to conduct raffles applied for on behalf
28 of an organization as provided in section 99B.1, subsection
29 13, paragraph "c", the representative licensee may hold not
30 more than one raffle per license applied for and no more than
31 two per calendar year at which real property or one or more
32 merchandise prizes having a combined value of more than ten
33 thousand dollars may be awarded or cash prizes of up to a total
34 of two hundred thousand dollars may be awarded. Each such
35 raffle held under a limited license shall be held in a separate

1 county.

2 Sec. 3. Section 99B.7, subsection 1, paragraph m,
3 subparagraph (1), subparagraph division (a), Code 2011, is
4 amended to read as follows:

5 (a) The organization, or an organization being represented
6 by a volunteer representative individual limited licensee,
7 is exempt from federal income taxes under section 501(c)(3),
8 501(c)(4), 501(c)(5), 501(c)(6), 501(c)(7), 501(c)(8),
9 501(c)(10), or 501(c)(19) of the Internal Revenue Code as
10 defined in section 422.3, the organization is an agency or
11 instrumentality of the United States government, this state,
12 or a political subdivision of this state, or, in lieu of an
13 exemption from federal income taxes, the organization is a
14 parent-teacher organization or booster club that is recognized
15 as a fund-raiser and supporter for a school district organized
16 pursuant to chapter 274 or for a school within the school
17 district, in a notarized letter signed by the president of the
18 board of directors, the superintendent of the school district,
19 or a principal of a school within that school district.

20 EXPLANATION

21 This bill allows an individual volunteer to apply for a
22 limited license as a representative licensee on behalf of
23 certain nonprofit organizations.

24 The bill allows an individual to apply and serve as a
25 representative limited licensee for a nonprofit organization
26 that is exempt from federal taxation under section 501(c)(3),
27 501(c)(4), 501(c)(5), 501(c)(6), 501(c)(7), 501(c)(8),
28 501(c)(10), or 501(c)(19) of the Internal Revenue Code. The
29 bill requires that such an individual applicant must meet the
30 requirements for all other individual applicants relating to
31 one's financial standing and reputation, citizenship, and
32 criminal history.

33 The bill states that only one raffle may be held for each
34 limited raffle license granted to a representative individual
35 on behalf of a nonprofit organization. At these raffles, real

1 property or one or more merchandise prizes having a combined
2 value greater than \$10,000 may be awarded or cash prizes of
3 up to \$200,000 may be awarded. The bill allows an individual
4 licensed on behalf of a nonprofit organization to apply for up
5 to two limited raffle licenses per calendar year.

6 The bill requires that any organization being represented
7 by a volunteer individual licensee must be exempt from federal
8 taxation under section 501(c)(3), 501(c)(4), 501(c)(5),
9 501(c)(6), 501(c)(7), 501(c)(8), 501(c)(10), or 501(c)(19) of
10 the Internal Revenue Code.